



**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

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January 14, 2005

Via Electronic Filing

The Honorable William D. Quarles, Jr.
United States District Court for the District of Maryland
101 West Lombard Street
Baltimore, MD 21201

Re: SEC v. William F. Mahon, Dean J. Jupiter et al., Civil Case No. WDQ-00-2918

Dear Judge Quarles,

This correspondence is submitted pursuant to your November 16, 2004 paperless Order requiring that we file a status report today. On November 16th, we reported having served copies of the summons and amended complaints on three of the six relief defendants: Sean, Lee, and Derek Jupiter. Additionally, we reported that we had retained foreign counsel to assist in locating and serving the remaining three relief defendants, who we believe are living in the Bahamas.

On December 12, 2004, the three served relief defendants filed answers through counsel, Paul Vettori. Mr. Vettori has reported that he will be local counsel and that M. Daniel Hughes, Esq. will be filing for admission pro hac vice as lead counsel for these three relief defendants. We have begun settlement discussions with Mr. Hughes. If settlement negotiations are unsuccessful, we anticipate filing for summary judgment against the three served relief defendants. Regarding the three unserved relief defendants, we have been notified by foreign counsel that location efforts have failed. We suggest that a deadline of February 11, 2005 be set for filing for leave of court for alternative service on the unserved relief defendants. If such relief is granted, then we anticipate filing for summary judgment after effectuating alternative service.

Given that the grounds for summary judgment against all six of the relief defendants will be the same, we request that a summary judgment motions deadline be set that provides for sufficient time to complete settlement negotiations with the three served relief defendants. Thus, if settlement negotiations are unsuccessful (and assuming alternative service has been ordered and effectuated against the three unserved relief defendants), then a single motion can be submitted requesting summary judgment against all six relief defendants. We suggest a deadline of May 13, 2005 for the filing of summary judgment motions, which takes into account that I am

scheduled to be in a 3-5 day long trial beginning April 4, 2005 (*In the Matter of Kenneth L. Rubin, CPA, and Michael W. Lewis, CPA*, Administrative Proceeding File No. 3-11748).

Sincerely,

A handwritten signature in black ink, appearing to read 'Carolann Gemski', with a stylized, cursive script.

Carolann Gemski
Senior Attorney
Division of Enforcement

cc: Via electronic filing to Allan M. Lerner, Esq. and Paul Vettori, Esq., and via e-mail to M. Daniel Hughes, Esq.